

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

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LEADERS MAP COURSE FOR BUSINESS UPTURN

Industrialists Adopt Six-Point Recovery Program at President's Trade Conference

NATION-WIDE ATTACK PLANNED

Committees Organized to Cope With Various Aspects of Depression Relief

Business leaders in all sections of the country have now organized themselves for a general offensive attack against the depression. Assured by President Hoover at a conference held in Washington on August 26 that the nation had now weathered the major financial shock of the depression, some 350 industrialists, bankers and business men from Maine to Texas launched a movement designed to insure the return of normal conditions. They formed committees. They adopted a definite plan of attack. Having won the battle of Chateau-Thierry, as the president said, they prepared to carry on to Soissons in an effort to bring to an end the national disaster which has brought untold suffering to inhabitants in every corner of the country.

UNITED FRONT

Among those who attended the president's conference were some of the leading industrial minds of the nation. From New York, San Francisco, Boston, Chicago, Atlanta, Detroit, in fact from every quarter, came men who have won distinction in their respective fields of activity. Bankers, manufacturers, heads of large corporations, railroad presidents, merchants and others who direct American economic affairs, assembled to form that "united front" which has been considered so essential in grappling with the depression. Never before in time of peace has such an array of leaders been assembled for a definite and single purpose.

The interesting feature of this movement, and the nation-wide organization born at the conference, is that it marks the first attempt on the part of business leaders to organize themselves in combating the forces of the depression. The first indication of a drive launched upon all fronts came late in the spring when a committee of New York bankers, industrialists and business men was formed under the chairmanship of Owen D. Young, one of America's best known business leaders. This first committee, organized on May 19, set as its primary goal the stimulation of business activity. It was to serve as a link between bankers and industrial concerns, the dispensers of credit and the users of it. Mr. Young and the other members felt that many manufacturers, construction concerns and merchants, could increase their production and thus give jobs to more men and use added supplies of raw materials if they could obtain the necessary credit from the banks. It was to serve as an intermediary between these two groups that the New York committee was organized.

Shortly after, President Hoover and political leaders saw an advantage in having such groups formed, not only in New York, but in other sections as well. They recommended that business leaders organ-

(Concluded on page 7, column 1)



MONTAGU NORMAN AND SIR RONALD LINDSAY, BRITISH AMBASSADOR TO THE UNITED STATES

Montagu Norman, Governor of Bank of England, Pays Visit to United States

On August 20 last, a "Professor Clarence Skinner" disembarked at Boston. A few days later newspapers throughout the country declared in bold headlines that Montagu Norman, governor of the Bank of England, was in the United States. Rumors spread like wildfire. What was Mr. Norman doing in this country? Had he come to discuss war debts and reparations with government officials? Was he making preparations for Great Britain to resume the gold standard which it abandoned a year ago? Did his visit mean that some international development of major importance was about to take place? Why was he traveling under an assumed name?

On this occasion, as on previous visits of Montagu Norman to the United States, mystery enshrouded his every movement. People have learned to expect unusual developments when Mr. Norman consults with leading financiers as he did with heads of the Federal Reserve banks in New York on August 27. Shortly after his last visit in the fall of 1931, England suspended the gold standard. A few months before that he had paid a visit to President Hoover, former secretary of the Treasury Mellon and Eugene Meyer, head of the Federal Reserve Board. It was only a few weeks later that President Hoover announced his moratorium on war debts and reparations. Does the present visit of Montagu Norman mean another important happening?

The head of the Bank of England says not. He is just taking a vacation. He

loves New York. But, then, he has "just been taking vacations" before, so that people are now inclined to be suspicious when that mysterious figure visits our shores. Little satisfaction, however, will be gained by those who engage in these conjectures for Montagu Norman generally succeeds in keeping the true purpose of his movements secret.

Although seldom appearing in public, Montagu Norman has exerted an influence upon post-war European financial history equalled by few. He has been reelected governor of one of the world's greatest financial institutions twelve times. He held this all-important position during one of its most critical periods, that of the reorganization of Europe's currencies after the dislocations caused by the war. He was largely responsible for the organization of the Bank for International Settlements at Basle, Switzerland. He has taken unexpected airplane trips, or hurried train rides to foreign countries when "crashes" appeared imminent. His influence over British and European affairs has often been considered greater than that of the prime minister himself.

And yet, Montagu Norman always moves about in an unobtrusive way. He disdains public functions. He rarely breaks silence. But like his ancestors before him, he directs the affairs of the government's bank, an institution dating back to 1694, and from time to time makes hurried voyages which influence the destinies of nations.

STIMSON MANCHURIAN POLICY IRKS JAPAN

Foreign Minister Uchida Denounces American Position Before Japanese House of Peers

BREAK WITH LEAGUE POSSIBLE

Publication of Lytton Report May Cause Japan to Withdraw as Member

It is now almost a year since Japanese troops suddenly captured the city of Mukden in Manchuria. From that day—September 18, 1931—until the present, the clash between Japan and China has been a constantly disturbing factor in international relations. Not only have China and Japan been estranged, but a serious strain has been placed upon the League of Nations, the Briand-Kellogg Pact has been threatened, and the Japanese themselves have had to face the disapproval of a number of nations, particularly the United States. Owing to this incident a state of tension has come to exist between the United States and Japan. This country wants the Japanese to withdraw their support of Manchukuo, formerly Manchuria, without which that country cannot exist. The Japanese are apparently determined not to give in but rather to continue the strengthening of the new state. Both nations have taken hard and fast positions on the question. On August 8, Secretary Stimson clearly intimated that Japan must yield, and on August 26 Japan unhesitatingly replied that she would never submit. It seems that one country or the other must give way if a still more serious crisis is to be averted. How did this situation arise?

A NEW CRISIS

The events which startled the world throughout the fall and winter of last year are too clearly remembered to demand repetition. The story of the Japanese invasion of Manchuria, the subsequent siege of Shanghai, and the establishment of Manchukuo is well known to the American public. But since the major fighting ceased last March the controversy, while less spectacular, has continued unabated. It is likely to reach a climax soon.

The Council of the League of Nations provided last December for the establishment of a special commission to investigate the situation which had been created in Manchuria. This body, the Lytton Commission, has visited the scene of conflict, has studied conditions and is at present drafting a report. The report is scheduled to be delivered to the League this month and will probably be considered at a special session to be held sometime in October or November.

It has become an open secret that the report will lay full blame for the incident upon Japan. It is expected to state that the Japanese had planned the advance into Manchuria months before; that the Manchukuo government had been forced upon the Manchurian people; that it could not continue to function without Japanese support and that the Japanese intend to remain in Manchuria. There are fifteen specific charges in all.

Thus, responsibility, deserved or undeserved, will be laid at Japan's door. The Japanese are deeply resentful. They maintain that their action was taken in self-defense and that their presence in Manchuria

is vital to peace and safety. They have made veiled threats to withdraw from the League of Nations if the report is published. They have made it plain that they are determined to persist in their policy regardless of the report, the attitude of the League of Nations or of any particular country. In this matter the Japanese government appears to have the support of the people. A majority of the Japanese seem convinced that the course the government is taking is vital to their welfare.

It is therefore apparent that a delicate situation may be created when the report is delivered, provided, of course that it is not changed or modified beforehand. The League will be placed in a quandary because while it is desirous of keeping Japan as a member it also wishes to uphold its own authority. This promises to be a rather difficult task, inasmuch as the powerful League countries, Great Britain, France and Italy, are known to feel sympathetic toward Japan. The League will have to depend for support upon the small member countries, and, strangely enough, the United States, which has for years refused to become involved in League affairs.

AMERICAN POSITION

The American government has taken a decided stand against Japan and has called upon the rest of the world for support. This position dates back to January 7, when Secretary Stimson sent a note to both China and Japan warning them that it would not recognize the settlement of their dispute brought about through the violation of the Briand-Kellogg Pact, forbidding aggressive warfare, or the Nine Power Treaty, guaranteeing to China the right to the full possession of her territory. This declaration has become known as the Hoover-Stimson non-recognition doctrine, although it was first used as far back as 1912. Some weeks after having sent his note, Mr. Stimson asked for the support of other countries, and in March the League of Nations declared that its members should not recognize the results of the dispute if brought about through violation of the Briand-Kellogg Pact or the Covenant of the League. At that time world opinion seemed definitely aligned against Japan. Her action had won widespread disapproval.

On August 8 Secretary Stimson in an address before the Council on Foreign Relations in New York, undertook to amplify the administration's policy and to give it more formal enunciation. He accordingly made a strong address, which, while not directly aimed at Japan, has been taken as meant for her. It is thought that the secretary of state wished to strengthen the government's position before the delivery of the Lytton report. Mr. Stimson said in part:

Under the former concepts of international law when a conflict occurred, it was usually deemed the concern only of the parties to the conflict. The others could only exercise and express a strict neutrality alike toward the injured and the aggressor. If they took any action or even expressed an opinion, it was likely to be deemed a hostile act toward the nation against which it was directed. The direct individual interest which each nation has in preventing a war had not yet been fully appreciated, nor had that interest been given legal recognition.

But now under the covenants of the Briand-Kellogg Pact such a conflict becomes of concern to everybody connected with the

pact. All of the steps taken to enforce the treaty must be judged by this new situation. As was said by M. Briand, quoting the words of President Coolidge: "An act of war in any part of the world is an act that injures the interests of my country." The world has learned that great lesson and the signature of the Briand-Kellogg treaty codified it.

Thus, the power of the Briand-Kellogg treaty cannot be adequately appraised unless it is assumed that behind it rests the combined weight of the opinion of the entire world, united by a deliberate covenant which gives to each nation the right to express its moral judgment. When the American govern-

ment took the responsibility of sending its note of January 7, last, it was a pioneer. It was appealing to a new common sentiment and to the provisions of a treaty as yet untested. Its own refusal to recognize the fruits of aggression might be of comparatively little moment to an aggressor.

But when the entire group of civilized nations took their stand beside the position of the American government, the situation was revealed in its true sense. Moral disapproval, when it becomes the disapproval of the whole world, takes on a significance hitherto unknown in international law. For never has international opinion been so organized and mobilized.

JAPAN'S ATTITUDE

The American secretary of state's address created a vast amount of excitement in Tokyo. The Japanese took exception to it, resenting the attitude of the United States. A few days later, on August 25, the Japanese foreign minister, Count Yasuya Uchida, in a speech before the Japanese parliament, outlined Japanese policy and let it be known that Japan would not yield to American demands. Count Uchida stated:

It appears that in certain quarters a plan is being considered to reach a solution by patching up matters for the moment by investing China proper in one form or another with authority over Manchuria. That such a plan would only serve to reproduce the situation preceding the incident of September 18 is only too plain to us who have been taught by bitter experience in the past.

The people of Japan can never consent to a solution of that kind.

The Japanese have therefore set their course and have apparently decided to follow it regardless of opposition. The Tokyo government is preparing to extend formal diplomatic recognition to Manchukuo and to conclude a treaty with that state.

These, in main, are the developments which have led to the creation of a situation which many hold to be akin to that immediately preceding the World War. The United States and Japan are in direct opposition to each other. If each persists in its position, a serious break cannot be avoided. Under the Hoover-Stimson doctrine the United States is definitely committed not to recognize Manchukuo. Our government hopes and expects other nations to support this stand. It believes that the weight of a united world opinion would be sufficient to force Japan to yield. But, if this support is not forthcoming, what will be the outcome? This country may be alone in its attitude toward Japan, save for the support of minor countries. Would it go so far as to use force to protect the Hoover-Stimson Doctrine and the Briand-Kellogg Pact, or would it abandon its policy? It seems that this serious question must be answered within the next few months, for Japan gives every sign of not yielding. In connection with this point the *New Republic* makes the following analysis:

The Stimson Doctrine, if it is anything at all, cannot be left hanging in space. It

must be implemented or dropped. And here the issue is ominously clear and inescapable. We do not recognize that Japan has taken Manchuria. But Japan has taken it. Whether the egregious pretense of Manchukuo is maintained or as is more likely, Japan annexes the territory as it did Korea, Japan is in possession. And recognition or non-recognition cannot forever remain in abstraction. Sooner or later the test of definition in action will come: consular representation, commercial law, tariffs, judicial administration. Then the Stimson Doctrine is applied or abandoned. Then the United States yields or Japan yields. It must be one or the other now: Japan must evacuate all of Manchuria except the railway zone which it had until 1931 or the United States must accept the fact that Manchuria is Japanese.

There is only one alternative to the surrender of either party, and that is war. Somebody must forcibly eject Japan from Manchuria if Japan does not elect to go and the Stimson Doctrine is to be vindicated. No European nation is likely to fight Japan for the sake of the Kellogg-Briand Pact—least of all Russia, which has a larger stake in Manchuria than all the others combined. Who is to do the ejecting? China? Not under present conditions. China unified and reinvigorated under the only cohesive movement now visible in that country—the Communist? Possibly. But are Mr. Stimson and Mr. Hoover relying on this possibility? And where would their sympathies lie if it became imminent? There remains only the United States.

COMPLICATIONS

It is not possible to say at this time what is to be the outcome of this difficult and complex incident. Were the United States certain of the unqualified support of Great Britain, France and Italy, defiance on the part of Japan would be more hazardous. But these countries are apparently willing to see Japan in control of Manchuria. They seem to feel that their interests would be better protected by the Japanese than by the Chinese. This attitude is particularly characteristic of Great Britain, which has extensive interests in the Far East. France, all along, has been sympathetic toward Japan, and the Italians seem inclined in the same direction. Moreover, these nations feel that perhaps it would be advantageous to keep Japan interested in and busy with Manchuria. They think that Japanese expansion is necessary. The islands are too small, their resources too scarce adequately to provide for a continuously swelling population. But, if the Japanese do not expand in China they may decide to do so either in Australasia or in French Indo-China. Naturally the British and French wish to avoid such difficulties. This may make them all the more reluctant to join with the United States in forcing Japan to withdraw from Manchuria.

DANGEROUS SITUATION

The problem, then, is how far will the United States go in bringing pressure to bear upon Japan. It will of course refuse to recognize the independent status of Manchukuo and will still consider it an integral part of China. Will it go farther than this? Will it refuse to trade with Manchukuo? Will it recall its ambassador and consuls from Japan? Such action usually leads to war between countries. Naturally this country has no wish or intention of going to war with Japan or any other country. It expects that moral force will be sufficient to enforce its desires. Whether such force will prove sufficient must find its answer in future developments.

While the Japanese have taken a determined position they are anxious to avoid a break with the League of Nations and with the United States. Not long after

Secretary Stimson's speech the Japanese decided to send Vice-Admiral Kichisaburo Nomura to this country on a mission of good-will. It is said that the envoy will endeavor to show the United States that the American policy is unwise and can be productive of no good. Vice-Admiral Nomura ranks very highly in Japan and is known to this country. He was attached to the Japanese embassy in Washington from 1915 to 1918 and was one of the Japanese delegation at the Washington Arms Conference of 1921 and 1922. He had charge of a fleet during the recent attack on Shanghai, and is thus completely familiar with every aspect of the Sino-Japanese dispute. It has been announced in Washington that Vice-Admiral Nomura will be cordially received, but there is no indication that the government is prepared to yield to Japan.

REFERENCES: The Threat in the Stimson Doctrine. *New Republic*, August 24, 1932, pp. 31-32. Japan's Occupation of Manchuria. *Current History*, February, 1932, pp. 735-755. Permanent Conflict in Manchuria. *Foreign Affairs*, January, 1932, pp. 220-230. World War Dangers in Manchuria. *Current History* September, 1932, pp. 755-758. Text of Stimson Address on Pact of Paris, *Current History*, September, 1932, pp. 760-764.

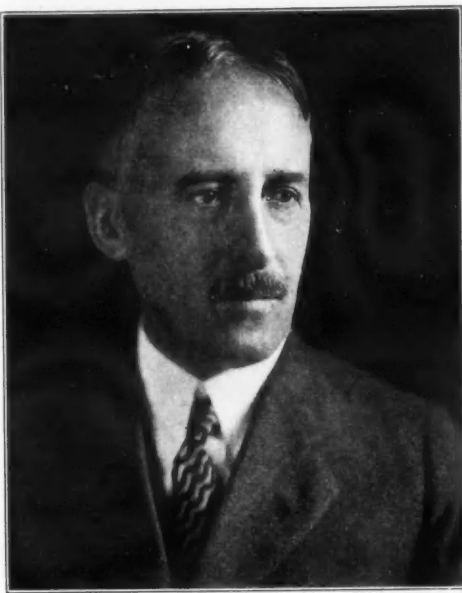
MAYOR WALKER

Mayor James J. Walker's hearing before Governor Roosevelt at Albany, New York, was halted last week on account of the death of the mayor's brother. The case was scheduled to be resumed on September 2. Meanwhile, Mr. Walker suffered a decided setback in his attempt to prevent the governor from taking further action which ultimately might result in his removal from office. It had been the contention of the mayor and his supporters that the governor of the state had no authority to act in the case since it involved the city, not the state, government. The Supreme Court, of the state, however, after due consideration of the laws, both city and state, decided that the governor could not be prevented from removing the New York City mayor if he deemed the evidence sufficient to warrant such action.

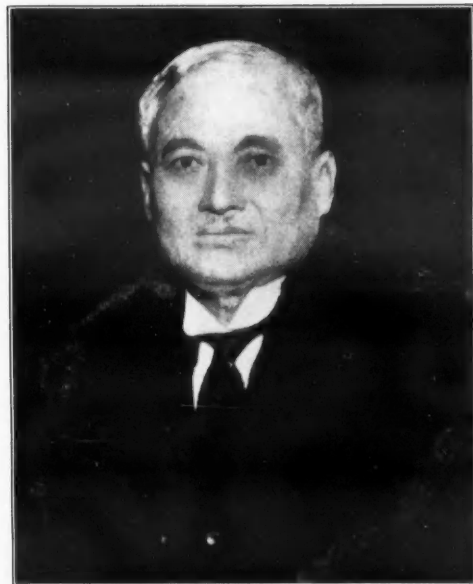
Throughout the entire case, Mayor Walker has insisted that the governor had no right to pass judgment upon acts of misconduct committed during his first term of office. Most of the charges filed against Mr. Walker are alleged to have been committed during his first term. Governor Roosevelt has refused to admit this. The governor has further insisted that city officials could be made to account for their personal finances beyond the amount received for official services. In passing judgment upon other officials of New York City, Governor Roosevelt has adhered to this

policy. He has called Mayor Walker's attention to the fact that, in removing Sheriff Farley from office some time ago, he laid down in clear terms this principle.

A diminutive flyer in a diminutive plane landed in New York August 29, just 10 hours, 19 minutes and 45 seconds after having left Los Angeles. Thus did James Haizlip, four-foot eleven-inch aviator, smash the transcontinental speed record, clipping 57 minutes from the best time previously made. The Los Angeles-New York race won by Haizlip was a feature of the National Air Races, held at Cleveland, Ohio.



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HENRY L. STIMSON



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COUNT YASUYA UCHIDA



BRITISH COLUMBIA—VANCOUVER HARBOR

Foreign Correspondence

One of the chief values derived from an interchange of letters with foreigners is to be found in the light which these letters throw quite incidentally upon customs and habits of other countries. The correspondence coming to our office from abroad at this time of year tends to manifest a habit which Europeans have developed to a greater extent than we have in America. They appear to make more of their vacation times. Two weeks or so at the seaside or some other resort, probably in some adjacent country, is a form of vacation or recreation claimed, it seems, by nearly all classes of the population. This custom is practised in some parts of the United States, but in many parts of our country it is not so universally followed as seems to be the case in many other countries. One form of vacation is almost unknown here; that is, a trip on bicycle. Perhaps it is because nearly every family in America possesses some sort of motor car that cycling is resorted to so seldom. In nearly all parts of Europe vacationing on bicycles is common. Thus one of our German correspondents writes:

I have just come back from a Sunday trip to Hanover with my bicycle. The cycle-ride on a Sunday evening on a main road is not a very agreeable thing. Like a glowing snake the innumerable cars and motorcycles creep along the road. They are joined by the armies of cyclists. In this respect we are resembling the U. S. A. more and more. Cycling has been augmenting to a considerable degree during the last few years. The cycle is the cheapest means of conveyance and the only one the out-of-work people can afford today. Well-to-do people of Hanover pass their Sunday in the bath-places situated near the capital and on the shores of the River Weser, such as Bad Vöhrding, Pyrmont Oyntansen. People who cannot afford to spend much money go to the "sea-side"; that means the Steinhuder Meer, a lake situated near Wunstorf. There they pass their week-end bathing, paddling and sailing. On warm days—and now we have very warm days—you may find whole colonies camping on the shores of the lake.

An English friend gives us this beautiful description of Devon, in southern England:

The country in that part of England is beyond my ability to describe. Many people lose their sense of proportion so that they describe quite pretty scenery as magnificent because of the charm that is so inherent in Devonshire. I hope I shall never succumb to that failing. Many parts of England have a characteristic beauty, but none I think has so much to yield to the visitor as Devon.

The rugged coast with its tree girt cliffs and wooded combs sloping down to the bays, broken here and there by stretches of delightful sands; the profusion of wild flowers; the trim villages with their spotless white and cream washed cottages, often thatched, and usually adorned by climbing roses, jessamine or fuschias; the beauty and interest of the village churches, many of which possess some outstanding point of interest, often some treasure of local craftsmanship, and almost invariably a sundial; the attractive churchyards and the curious epitaphs and strange carvings on many of the older tombstones, spoilt perhaps by the bad taste and pompous

extravagance of the tablets and tombs to the local gentry; the delightful smell of the countryside, especially the honeysuckle which was particularly thick amongst the hedges while we were there; the interest in nature's creatures both semi-domestic and wild—all these combine to give an impression that will live long in our memories.

Nearly all the Germans who write to us feel quite deeply on the question of debts and reparations, and insist that Germany is unable to pay reparations; and they would like to see a settlement of the debt problem between the United States and the debtor nations in order to hasten the final disposal of reparations. One of our friends has this to say:

Many thanks for your description of the political situation in the United States. I believe that—as to the war debts—it is all the same for Europe whether Roosevelt will become president of the U. S. A. or Hoover. If Great Britain, France and Italy cannot pay their debts they will follow Germany's example. In this case, America will play the part France has played in Europe up till now. She will get no money, for the debtors will not pay. You know that Great Britain and Italy are now in a difficult situation as they don't get money from Germany and nevertheless must pay large sums to America.

I think in Europe the opinion prevails that no war debts will ever be paid. And you know that great economists say that no improvement of the economic situation will come if the war debts are not cancelled. Nevertheless, I hope that you will have a president who is not opposed to international co-operation which is so necessary today. Besides it would be a setback to the times of Monroe if the president of the United States refused to take part in European affairs. The principle: American affairs shall be treated by Americans, was quite right when Monroe stated his doctrine, but now-a-days American affairs very often concern not only the Americans but also the other countries.

A number of Canadians comment upon the Ottawa Conference. One of them makes this quite reasonable remark:

There is much expectation with regard to the Conference at Ottawa just closed. For my own part it can only make things a bit better possibly in the Empire, but things can only be bought in one place at once and if preferential tariffs benefit the Empire then other countries will be worse off and arouse hatred and jealousy.

Another Canadian, a young man from Toronto, is concerned about the Far Eastern situation, and makes this comment which may be found interesting when read in connection with the discussion found this week in another column of THE AMERICAN OBSERVER relative to Japanese-American problems:

In a recent issue of your AMERICAN OBSERVER you published a letter from a correspondent on the Japanese problem, and I was very sorry to see him advocating the same solution of the problem as so many others on this continent have been insisting upon these last few months, namely, that Japan must be crushed, just as Germany was crushed.

I don't see how this would solve the problem at all. It may quiet things down for a while, should Japan be crushed, but is there

any doubt that the whole question would arise again in a few years with a more intensive urgency? Isn't it better to face facts, and see if something can't be done amicably, rather than let loose such insidious propaganda against another people as I have been seeing lately in practically the whole of the American and the Canadian press against Japan. Isn't it this propaganda that we must avoid if we wish to prevent a recurrence of the catastrophe of 1914?

We must face the facts if we ever wish to have a war-less world. I am not justifying Japan's high-handed actions, but can we not see that she has some justification? She has arrived quite late into the comity of nations and now she finds that she has no room for expansion, and with a population growing at a furious rate. Do you think they will merely shove their surplus population into the sea and thus accept their fate? Doubtless you know "World Danger Spots in Population" by Prof. Thomson, which was published two or three years ago. Some of his reasoning is certainly unsound, but in the main I agree with him that there are certain tropical areas belonging to some of the "Great" powers who can never make much use of these lands, and that they therefore ought to let Japan colonise these territories. Otherwise he predicts that not only will Japan wage war to get these lands but will also at the same time endanger the other and more profitable colonies of the European nations.

THIRD DEGREE

Readers of THE AMERICAN OBSERVER will remember that a few weeks ago a man accused of a serious crime in New York was beaten to death by policemen who were practicing on him the familiar "third degree" methods of extortion. The country was shocked at this outrage, and the policemen were put on trial for murder. This trial has now come to a close, without either conviction or acquittal. The jury was unable to agree upon a verdict.

During the progress of the trial an organization known as an Anti-Crime Society, and another one called The Defense Committee, carried on propaganda in favor of the accused policemen. Arguments against the prosecution were made over the radio. It was contended that the conviction of the policemen would break down police morale and would interfere with the detection and prosecution of crime. Speaking of the failure of the jury to convict the officers, the Baltimore Sun says:

Actually, of course, it weakens the respect for police departments, risks the beating and framing of innocents, and tends to make detectives regard a length of rubber hose as a convenient substitute for mental resource.

MUSSOLINI

The Manchester Guardian quotes Signor Mussolini, dictator of Italy, as saying: "War alone raises all human energies to the maximum of tension and gives a character and nobility to the peoples that have the courage to face it."

The Guardian blames the British and French governments in part for creating a situation which encourages such a bellicose statement from Italy's war lord. It says that if these two governments had quickly accepted President Hoover's proposal for a limitation of armaments when the proposal was made last June, Italy would have fallen into line. Signor Grandi, who was at that time the Italian foreign minister, is a sincere advocate of disarmament, and wanted to follow the Hoover proposals. The British and French governments did not fall in line, and this gave Mussolini an excuse to throw him and his policy of peace and disarmament aside and to give full support to military extremists. However this may be, such declarations as that of Mussolini cause great uneasiness throughout the world.

THOUGHTS AND SMILES

Free speech is one of the great blessings of the American people and will continue to be such until somebody starts compulsory listening. —Milwaukee SENTINEL

A great memory does not make a philosopher, any more than a dictionary can be called a grammar. —Cardinal Newman

There's this to be said in favor of a balloon trip to the stratosphere: You get away from people who are looking for a fourth at bridge. —New York SUN

What has become of the good old times when the only persons suffering from financial embarrassment were babies who had swallowed coppers? —Cincinnati TIMES STAR

Silence is deep as Eternity, speech is shallow as Time. —Carlyle

If Great Britain had granted her dominions a preferential duty on tea in the 18th century, Paul Revere might never have become anything more than a silversmith. —Philadelphia INQUIRER

If and after beer is provided for the workman we may be confronted with the problem of providing the workman for the beer. —Atlanta CONSTITUTION

Mr. Garner oughtn't to be criticized for talking so much now. He'll have no chance to talk if he's elected vice-president. —New York HERALD-TRIBUNE

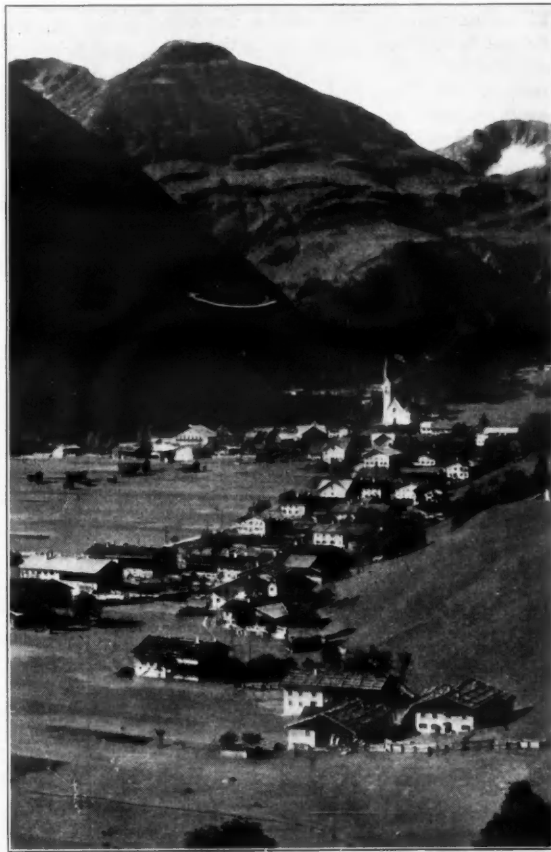
Every man's vanity ought to be his greatest shame. —Quarles

It's enough to make any inventor discouraged. Now it turns out that the Chinese had air-cooled rooms hundreds of years ago. —New York SUN

Poland anticipates gain in export trade. Her prosperity seems to be just around the Corridor. —Cleveland NEWS

A housekeeper who objects to the use of dried fruits says she is afraid they are preserved with sulphur. But a little sulphur in the body during this life might immunize it from the fumes of the next world. —Philadelphia INQUIRER

PRONUNCIATIONS: Kichisaburo Nomura (kee-chee-sa-boo-ro no-moo-ra—a as in final), Osaya Uchida (o-say'a oo-chee-da—a as in final), Ecuador (ek-wa-dor—e as in let; a as in final; o as in core), Quito (kee'to), Gran Chaco (grahn chah'ko), Weser (Vay'zer), Wunstorf (voo'n'storf), Ptolemaic (tol-e-may'ik—o as in hot; e as in get), Mignon (mee-nyon—o as in go, n scarcely pronounced), Alexei Tolstoi (a-leks'ey-ee; tol-stoy—first o as in or), Malaisie (ma-lay-zee—a as in car), Henri Fauconnier (ahn-ree—n is scarcely sounded; fo-ko'nyia—o as in go, a as in ate).



A TYROLESE VILLAGE

This picturesque part of Austria is frequently visited by foreigners.

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REVIEW OF THE WEEK

THE farm strike which we described last week has spread and has become more serious. Several Iowa cities have been quite effectively blockaded, and hardship has resulted. Police officers have cleared twenty-eight roads leading into Des Moines, the state capital. There has been no considerable amount of violence, but a number of men have been injured.

A new development of the situation comes from the presence of the "Khaki Shirts," an organization which is an offshoot from the bonus army. These "Khaki Shirts," representing themselves to be former soldiers, have encamped at certain places and are helping the farmers in their blockading activities.

It appears to be generally recognized that farm prices cannot be raised permanently by withholding products from the market. These goods will still be in existence and will still hang over the market. Insofar as the strike is effective to the point of interfering with consumption, it will prevent the disposition of products and will cause a larger surplus than would otherwise have accumulated. The effect in that case will ultimately be to reduce rather than raise prices. It is obvious, therefore, that the farmers have in mind political, as well as economic, objectives. They are trying to advertise their ills so that they may stand a better chance of securing legislation which they regard as helpful.

As we pointed out last week, tactics similar in essential nature to these are common enough in American industry. They have been brought into use by manufacturers and laborers, though they have seldom been employed by farmers. Manufacturers who are in a position to do so do not hesitate to curtail production, regardless of effects upon laborers or consumers, when they feel that such action may enhance prices, and consequently profits. And of course strikes for higher wages by workmen are common occurrences. If the farmers should adopt forceful measures of this kind on a large scale, the consequences might be serious indeed. Thus far, however, the farm strike move-

ment is localized. There are no indications at the moment that it will be joined by farmers throughout the nation.

ON August 30, the tensely awaited meeting of the German parliament, the Reichstag, took place. But contrary to all expectations the session was a quiet one, and after the election of officers adjournment for a week was declared. Thus, the German parliamentary crisis was postponed.

The situation confronting the Reichstag was this. In the elections of July 31, the Hitlerites won 230 seats, more than twice as many as they had previously had. By virtue of this fact Adolf Hitler, National Socialist leader, demanded that he be made chancellor and virtual dictator of Germany. President von Hindenburg refused to agree, since Hitler received the support of only 37 per cent of the voters in the elections. The president, instead, preferred to continue his confidence in Chancellor Franz von Papen, minister of defense, Kurt von Schleicher and Baron von Gayl, minister of the interior. These members of the German aristocracy have been ruling Germany since June. They expect to continue in power for a considerable while in spite of any opposition on the part of the Reichstag.

When the Reichstag met, it was confronted with the fact of the continuation in office of a cabinet of which a majority did not approve. But before anything could be done it was necessary for that body to agree under a united leadership. This is not an easy task, because no one party has a majority. It was believed that a compromise would be effected between the Hitlerites and the Centrists, former Chancellor Brüning's party, giving the combined groups a majority. But even this was not sufficient to combat the powerful cabinet. On the eve of the Reichstag meeting, Chancellor von Papen obtained from President von Hindenburg a signed, but undated, decree dissolving that body. The chancellor was thus in a position to bring to an end at any time the sessions of the Reichstag. It was thought that this would occur within a week, and that Germany would have to prepare for new elections within sixty days, as provided by the constitution in case of dissolution by presidential decree.

It appeared, therefore, that Chancellor von Papen would continue to dominate Germany almost as a dictator. With the Reichstag out of the way, he could pursue his policy of government by presidential decree, made possible by the constitution which gives the president wide powers in case of emergency. The chancellor is particularly anxious to remain in power at this time, for he is undertaking to give effect to an ambitious program of economic rehabilitation.

The government does not have the money to speed recovery through an institution such as the Reconstruction Finance Corporation. Instead it must rely on taxes still to be collected. Therefore, this year it will remit taxes to industry. This will be done as follows: When a concern pays certain of its taxes for the 1932-1933 period, the government will give it a certificate for an equal amount. This certificate may be used instead of money to pay taxes for the years 1934-1938. The government hopes that by that time recovery will have set in, and that it will collect enough in other taxes to permit it to do without the money it is donating to industry this year.

Therefore, the concern will have government paper of value equivalent to the taxes it pays for the coming year. It is assumed that this paper may be used as collateral to obtain credit, and that the additional funds may increase employment. Over and above this, the government will give a certificate for 400 marks (\$100.00) for each new worker employed by any industrial concern. These certificates may also

be used to pay later taxes. The uncertain feature of the plan seems to lie in the loan value of the certificates. Will the banks have enough confidence in the continued stability of the government to make loans on tax certificates redeemable only in several years?

THE railway companies of the nation are undertaking to bring about a reduction of 20 percent in the wages of railway workmen. A reduction of 10 percent in rail wages was made effective the first of last February. An agreement to that effect was made between the railroad companies and the workmen. Wages were reduced 10 per cent for the period of one year. That year expires February 1, 1933. The companies are now asking that a further cut of 10 per cent be put into effect at that time, the reduction being 20 per cent from the rate which prevailed previous to the temporary cut of 10 per cent last February. If the men do not consent through negotiation to the pay cut, the companies will undertake to bring about the reductions anyway. The procedure by which a change in wages may be made is defined by the Railway Labor Act. It is as follows:

Notice of the wage reductions must be posted by the management for thirty days. At the end of that time joint conferences between the management and the men may be held in an effort to come to an agreement. If this fails, a board of mediation, composed of impartial judges, may be appointed, but the two parties to the dispute are not obliged to appoint this board. If they do not do so within thirty days, either side may ask for a board of arbitration, whose decision will be legally binding. The other side is not obliged to agree to this procedure. If it does not agree to arbitration, the president of the United States may appoint an emergency board to make recommendations as to the solution of the problem. These recommendations are not legally binding. After they are made, the two parties to the dispute may do as they see fit. A strike, then, thirty days after the decision, may be legally called. It is assumed that as a usual thing, both parties will practically be obliged, by pressure of public opinion, to accept the findings of the board.

A SERIOUS strike is in progress in the cotton mills of England. It is said that 145,000 weavers, this being 95 per cent of those employed in the Manchester area, are on strike. It is expected that this labor disturbance will affect business conditions in England adversely. It will probably counteract the slight trade improvement which has been noted recently.

The trouble started over a demand by the companies for a cut in wages. There were local disturbances and two or three thousand workers were dismissed. The unions insisted that they be returned to their jobs. Negotiations on this point finally broke down, apparently as a result of stubbornness on both sides and of the inaction of the British Ministry of Labor.

ECUADOR was added last week to the list of South American countries already disturbed by uprisings and armed conflict. A revolution of serious proportions broke out in that country, resulting in hundreds of deaths and the capture of Quito, the capital, by a group of rebels under the leadership of Carlos Freile Larrea. While the origin of this movement is deeply rooted in the past, there being a century-old conflict between church and state in that country, the immediate cause of the rebellion was the desire of the insurgents to place in power as president a man who had been elected but prevented from taking office because he was a Peruvian. Federal troops were successful, however, in routing the rebels from their strongholds in Quito.



ALMOST AN ECLIPSE
—Baer in LABOR

Conditions in the other nations to the south which have been unsettled continued to remain doubtful last week. The revolution in Brazil, after nine weeks' duration, had not been quelled. While actual fighting in the Gran Chaco region between forces of Paraguay and Bolivia had practically ceased, the dispute was far from settled. The other American countries dispatched a note to the governments of Bolivia and Paraguay asking them to declare a sixty-day truce, effective September 1. Paraguay, however, declined to accept until Bolivian troops evacuated three forts in the Gran Chaco region—forts which were under Paraguayan control before the recent outbreak.

THE American Legion, an organization made up of soldiers who participated in the World War, has been holding state conventions throughout the nation during the past month in preparation for the national convention to be held at Portland, Oregon, on September 12. These state conventions have attracted unusual interest this year because of the attitude taken by the Legion on the so-called "bonus."

The trend of the state conventions seems to indicate that the national convention will demand overwhelmingly that the bonus be paid immediately. Thirty-one of the state organizations have declared for it and have instructed their delegates to the Portland meeting to vote for immediate payment. They represent a large majority of the total number of Legion votes.

At the convention held last year in Detroit, the American Legion voted against demanding immediate payment of the bonus after President Hoover had made a hurried trip to the convention and pleaded with the veterans not to impose that additional burden upon the government treasury. The changed sentiment among members this year has been attributed to general resentment at the action of the president in calling out federal troops to rout the "bonus army" from Washington.

BOTH political parties have decided upon the major course of their strategy for the campaign. The Democratic campaign will become intensive next week when Governor Roosevelt starts on a tour across the continent which will take him as far west as the Pacific Coast. The major addresses of the Democratic nominee are expected to be given during that trip. Particularly important are considered his statements to be made in the Middle Western region where there is much agricultural discontent.

The Republicans, after a conference with President Hoover last week, decided to have the president deliver more addresses than originally planned in answer to the charges laid at his door by Governor Roosevelt. The aggressive nature of the Democratic candidate's speeches has led Republican chieftains to believe that the president himself must take up his guns. It is said that the Republicans will concentrate on the East.



REVOLT IN THE CORNFIELDS

—Kirby in N. Y. WORLD-TELEGRAM

WITH AUTHORS AND EDITORS

We read old books for their excellence, but new ones to share in the mental life of our time.—SATURDAY REVIEW OF LITERATURE.

IT IS an easy thing to let down in our reading during the summertime. This is especially true of teachers and students, for necessity keeps them at their books during a large part of the year, and when vacation comes they are likely to put aside the printed page for recreative pursuits of a different kind. It may well be, then, that many of our readers have missed some of the good books which have been coming out during the last few weeks—books with which they may wish to become acquainted. We shall, therefore, take a little space to call attention to some of the books which we have thought worth discussing in these columns during the last three months.

One's choice in the field of fiction is largely a matter of taste. It would be an opinionated person, indeed, who would speak positively about "the best" novels of the season. We can only say that of the books we have mentioned since the first of June we like best "The Fountain," by Charles Morgan, because of its exquisite portrayal of character. Others which we rate very high are: "The Store," by T. S. Stribling, a story of the South immediately after the Reconstruction period; "Obscure Destinies," a collection of three novelettes by Willa Cather; "Malaisie," by Henri Fauconnier, which deals with life in British Malaya; "Life Goes On," by Vicki Baum, a bit of character study with the plot laid in a German provincial town; and "The London Omnibus," a 1500-page volume containing stories, some of them complete novels, by a number of England's best known and most highly appreciated story-tellers.

Among recent books dealing with the depression and with the economic world of our day, the following are recommended: "The Crisis of Capitalism in America," by M. J. Bonn, a German economist's appraisal of American life and institutions; "The New Deal," by Stuart Chase, a criticism of economic planlessness; "The World Economic Crisis and the Way of Escape," a collection of lectures by prominent British economists; "A Primer of Money," by Donald B. Woodward and Marc A. Rose, a clear and simple explanation of money problems;

"Want and Plenty," by Jacob H. Hollander, an examination of the causes of the depression.

Among the books dealing with international and foreign problems, the following are very good: "The World's Danger Zone," by Sherwood Eddy, an analysis of Far Eastern problems; "The Tinder Box of Asia," by George E. Sokolsky, on the same subject; "The Coming of South America," by Henry Kittredge Norton, an excellent description of the problems of the South American countries; "The League of Nations," by Felix Morley, a comprehensive explanation of the League's structure and activities; "Dawn in Russia," by Waldo Frank, a vivid picture of present day Russia; "Contemporary Roumania," by Joseph S. Roucek, a study of political and economic problems of a pivotal European nation.

The following books deal with questions relating to citizenship and government: "The Coming of a New Party," by Paul Douglas, a thorough-going examination of political and economic forces in the United States; "Our Wonderland of Bureaucracy," by James M. Beck, a criticism of expanded government activities; "The Making of Citizens," by Charles E. Merriam, an examination of civic education in the leading nations; "The American Public Mind," by Peter Odegard, an exposition of the forces influencing public opinion in the United States.

We have liked particularly well two recent biographies: "Peter the Great," by Alexei Tolstoi, vivid, fascinating, but informative; and "Adventures of a Novelist," by Gertrude Atherton, autobiographical and reminiscent. Three particularly good descriptive works, the subjects of which are indicated by the titles, are: "My Paris," by Arthur Kingsland Griggs; "Berlin," by Joseph Hergesheimer; and "Puppets in Yorkshire," by Walter Wilkinson. Other books of a miscellaneous nature which we recommend are: "Ten Thousand Shall Fall," by David King, a descriptive war story; "From Here to Yonder," by Mary Nicholl Rawson, a description of customs and habits in colonial New England; "Twenty Thousand Years in Sing Sing," by Lewis E. Lawes, which deals with the prisoners as Warden Lawes sees them; and "In My Zoo," by Paul Eipper, a collection of fascinating animal studies.

Claude G. Bowers, author of "Jefferson and Hamilton," "Party Battles of the Jackson Period" and "The Tragic Era," former editor of the New York *Evening World* and Democratic campaign orator, has written another book which promises to rival in popularity the author's previous works. He has written the story of "Beveridge and the Progressive Era" (Boston: Houghton Mifflin. \$5.00). Albert J. Beveridge, who lived from 1862 to 1927, was one of the nation's most brilliant orators. He brought to politics a particularly attractive personality. He graced the stage of American politics during a dramatic period—the period of insurgency and progressivism, the high point of which was



A VIRGINIA HOME

Ellen Glasgow writes of Virginia life and particularly of the old aristocratic families. (An illustration from "Tidewater Virginia," by Paul Wiltach. Indianapolis: Bobbs-Merrill.)

reached in the revolt from the Republican party by the Roosevelt party in 1912. The story of his life, therefore, offers a writer like Bowers, who makes a point of illuminating dramatic epochs in our history, a fine opportunity, and he makes the most of it.

Particularly interesting is the record of the formation of the decline of the Progressive party. Beveridge, who had quite a brilliant record as United States senator from Indiana, was a central figure in this Progressive revolt. After the defeat of Roosevelt in 1912, Beveridge fought hard to keep the movement alive, but he was deserted by the leader of the movement, Theodore Roosevelt, himself. Mr. Bowers does very effective work in revealing the part played by Roosevelt in the abandonment of the Progressive forces after his defeat for the presidency in 1912.

Mr. Bowers tells his story with little show of partisanship. He quotes freely from letters and lets the record speak for itself. This record indicates that progressivism failed largely because it was a movement of leaders who were not closely related to mass movements of the people. It was more a matter of attachment to leaders than of attachment to progressive principles.

After the breakup of progressivism, Mr. Beveridge turned to historical studies and performed an outstanding work in a life of John Marshall. He was in the midst of a life of Abraham Lincoln, having practically finished the second volume, when he died in 1927.

Ellen Glasgow, who has done such fine work in interpreting the changing life in the South, has written another story of Virginia, "The Sheltered Life" (Garden City: Doubleday, Doran. \$2.50). The scene is laid in a Virginia town which was in a period of change, the old aristocratic southern town being in process of giving way to modern commercialism. The principal characters are of the old tradition and undertake to maintain themselves against the changes of the times. But the chief interest of the story is derived from the analysis of character, rather than of social conditions. It is a story of "sheltered lives" which were not, after all, sheltered from the temptations and circumstances of life; and therein lies the tragedy of the story. Miss Glasgow understands human nature and she knows how to tell a story with vividness, with humor, and with breadth of sympathy.

If you like to relieve the seriousness of your reading by a bit of detective fiction now and then (and who does not?) we recommend "Murder by an Aristocrat," by Mignon G. Eberhart (Garden City: Doubleday, Doran. \$2.00). This is another story featuring Nurse Keate. Mrs. Eberhart, it will be remembered, weaves her stories about hospitals, or incidents which call for the presence of nurses, and she adopts the device of having the story told by the nurse, Miss Sarah Keate. Among the best of the previous stories are "The Patient in Room 18" and "While the Patient Slept."

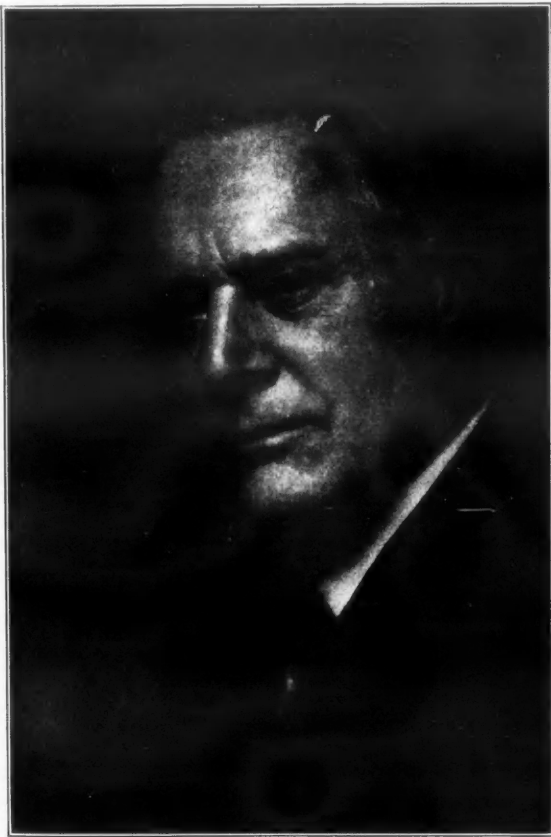
The National Home Library Foundation, of Washington, D. C., is doing a very valuable work in putting out cheap editions of literary classics. Among the very attractive paper-backed volumes which have been published thus far are "Treasure Island," "The New Testament," "Green Mansions," "The Way of All Flesh," "The Merchant of Venice," "Emerson's Essays," "Alice in Wonderland," "The Adventures of Sherlock Holmes," and the Palgrave's "Golden Treasury of Song and Verse." These books, which are of pleasing appearance, well printed on good paper, sell for but fifteen cents each. The National Home Library Foundation plans to extend its list of publications. Its expressed object is "to promote and inculcate in more people the desire to read good literature; to make home libraries more easily available to greater numbers of our population."

There is a sharp difference of opinion as to the personal characteristics of President Hoover. Those who remember his relief activities in Belgium during the war are inclined to think of him as a man of broad sympathies, while others are impressed with the idea that he is cold, hard and unfeeling, giving little thought to human suffering unless it is before his very eyes. These two points of view are expressed in recent magazine articles. Sherwood Anderson, the well known novelist and journalist, says in an open letter to President Hoover, published in the *Nation* for August 31:

Mr. President, after this absurd incident in Washington, on your birthday, (the refusal of the president to hear a protest of prominent writers concerning the driving out of the bonus army), we writers separated. I went to see a friend. We had a talk. He is not an unsuccessful man as I am, but is very successful. He said that, even in Washington, you were utterly separated from the reality of life in America now, so surrounded by yes-sayers that nothing touched you. He suggested to me an idea. He said that when you were in the Far East, when you were making your fortune, you handled coolies. He said that you had come to think of most of us here in America, who happen to be poor or out of work, as coolies. He thought you believed in the whip. That is what we came to Washington to protest against, Mr. President—the whip. Its lash is falling across the backs of millions of Americans. It is the lash that is making radicals in America.

Former Secretary of Commerce Robert P. Lamont, presents a very different picture in the September number of the *Review of Reviews*:

Another prevalent impression, equally incredible to those who know him, appears to be ineradicable from the minds of some people. This is the legend of the so-called "cold-blooded engineer." No such person exists by the name of Herbert Hoover. The man who gave up a fortune to feed the children of Belgium and paid his own expenses while he was doing it; the man who cannot control the emotion in his voice when he tries to express his sympathy with human suffering, and who therefore seldom dares to speak it out loud; . . . the man whose deepest passions are the cause of childhood and the cause of world peace—about such a man no more incorrect notion could be conceived than that he was other than human, sympathetic, and responsive to the tides of a rich emotional life.



ALBERT J. BEVERIDGE

An illustration from "Beveridge and the Progressive Era," by Claude G. Bowers (Houghton-Mifflin).



LAST week we discussed the great migratory movement which manifested itself in the discoveries and explorations of the fifteenth and sixteenth centuries. It

**Great
Transforming
Periods**

was a movement which, having its beginning in these discoveries, has continued to our own time. We may now inquire the conditions under which it started. What was the European background for the movement? We may then inquire whether that situation has any counterpart in our own day. It is well known that the discoveries, explorations and migrations constituted a phase of a great transformation that was going on in Europe; a series of changes and developments which together are known under the general term of the Renaissance. Many people believe that we are today undergoing a series of changes which may, when seen in retrospect, appear to be as significant as were those of the fifteenth century. If so, we may expect a working over of our whole system, a breaking down of many institutions and the generation of new ones. But of that, more later.

A great awakening which was felt in Europe marks the close of the Middle Ages and the beginning of the modern epoch in history. For several centuries civilization was relatively static. Then things were seen to be in flux. There was change in several different directions. This was the age of the Renaissance. The changes were both internal and external. It is hard to define the relation of cause and effect. There was a changing point of view, a changing attitude toward life. At the same time there were a number of mechanical inventions which had a transforming influence upon institutions. And there were also institutional changes which resulted in part, but probably only in part, from the mechanical developments.

We may consider first the changes in thought. The intellectual leaders had been for several centuries so bound down

**Spirit
of the
Renaissance**

by tradition that they could not think freely and originally. They were tied to the system of scholasticism. They were familiar with a relatively small body of truth. They made this small body of truth, consisting largely of theological dogmas, the basis of their reasoning. They engaged in logical disputes, but did not try to gain information. Then fairly suddenly they began to break away from this system. They ceased to believe that the greatest good consisted in conformity to old dogmas. They became interested in living human beings. They revived the study of ancient civilizations which valued learning and art, more than these were appreciated in the Middle Ages. They began to appreciate the beautiful and to turn their attention to the possibilities of enjoying life. Along with this changed attitude there came a releasing of energy, an expansion of mind and spirit, an adventuring into realms of thought and action which had been unknown, an opening of doors which before had been closed.

Along with this intellectual and artistic development there came the mechanical inventions of which we have spoken. Gunpowder was invented and put to use, and largely as a result of this invention feudalism lost its power. Under the old systems of warfare one nobleman could overcome many poorly equipped peasants but when gunpowder came into use, a lowly man could stand off with his gun and lay the proudest noble low. The use

of paper and the invention of the printing press and movable type provided a means for the transmission of ideas. The substitution of the Copernican theory of the universe for the Ptolemaic, suggested the traversing of the seas. The invention of the mariner's compass made these voyages upon the waters practicable.

It was natural and inevitable that there should have been institutional changes at a time like this. We have mentioned the fall of feudalism. It gave place to monarchy, since kings could muster armies on a modern scale, and overcome the small principalities. These kingdoms were not only forces of union, but of disunion. They broke the power of the small feudal lords, and established the nations, which held within their confines large geographical areas. These nations, on the other hand, absorbed completely the loyalties of their people—loyalties which before had been divided between feudal lords and the world state, or empire. The Middle Ages had seen a civilization organized loosely as one imperial unit, the Holy Roman Empire. Along with this universal state was a universal church. At the beginning of the modern period of history the empire was breaking up and the age of nations was coming into being. Nations with their own languages, and after a while with their own religions, were displacing the old order which had held up universal political sovereignty and a universal church as the ideal. These nations constituted the units which set the great migrations into motion.

It was with their encouragement and support that exploration on an oceanic scale began.

Probably the average individual who lived during this time of change, let us say in 1432 or 1532, did not realize that

**Another
Period
of Change?**

any fundamental changes were going on. He saw only immediate events. He did not understand their meaning in terms of centuries. He saw the trees, but not the forest. This average person of 1432 or 1532 was in this respect like his descendant who lives in the very different world of 1932. The ordinary citizen of our own day sees immediate events. He knows what happened last year and what is happening today, but he comprehends little of the meaning of these events. He witnesses the invention and widespread use of the radio, without understanding the possible changes which may be wrought in our civilization as a result. He does not know whether or not we are in the midst of a great movement similar to the Renaissance. None of us knows that to a certainty, but there are persons of broad vision who think they can read in the signs of the times evidences that the present is such a period of transformation. President Nicholas Murray Butler, of Columbia University, says:

... we are passing through one of those revolutionary periods in the history of

the race which come at long intervals and which are the result of the operation of forces long accumulating which finally bring themselves to bear upon the life, the conduct, and the policies of men and of nations. The period through which we are passing and which it is so difficult fully to understand, and impossible, for me at least, adequately to explain, is a period like the fall of the Roman Empire, like the Renaissance, like the beginning of the political and social revolutions in England and in France in the seventeenth and eighteenth centuries. It is different from them all; it is in some ways more powerful than them all; and it holds more of the world in its grip than any of them, but it certainly resembles them in its epoch-making character. It resembles them in its epoch-marking character.

What are the evidences that we are in the midst of transforming changes? For one thing, there have been a series of inventions during the last

**Effects
of Recent
Inventions**

century fit to shake civilization. In the field of transportation and communication we have seen the coming of the railroad, the ocean-going steamship, the telegraph, the telephone, the radio, the airplane. These inventions make the world very small indeed. What happens in an obscure hamlet of Central Europe may be known in a few minutes throughout the world, and may, within a few hours, be setting the military chieftains of all the nations scurrying into conferences. An address delivered by a foreign minister today may be heard around the world. Barriers to thought are breaking down. Commercial independence of regions has vanished, even though the regional political leaders do not recognize the fact.

These inventions have only recently begun to exert their influence. The inventions of 500 years or so ago broke down feudalism and empire, and established the fact of national states. Will the inventions of the last century break down these national states and develop a larger sovereignty? Since we depend nowadays on coöperation of peoples in many parts of the world, our great problems can be solved only by effecting a means for coöperation on a large scale. Our national states, each of them insisting upon complete sovereignty—upon the right of settling finally economic and social problems which have become world wide—no longer have as much logical reason in their favor as they did a few hundred years ago. There are certain signs that the peoples of the world are recognizing this fact. The League of Nations, the World Court, the Kellogg Pact—these are signs of the times. It may be that we are in the midst of a great movement which, in the course of a century or so, will see the nation supplanted as sovereign units, just as the feudal principalities were supplanted a few centuries ago.

Another relatively recent development of tremendous import has come about through changes in the industrial arts. A

**What
of the
Future?**

number of inventions have completely changed the nature of industry, have revolutionized our ways of living. They have created problems of a serious nature, such as technological unemployment. At the same time changes in our financial machinery have transformed our concept of ownership. We used to operate upon the theory that people manage the property which they own. Today most of the property and the industries of the nation are in the hands of corporations. These corporations are owned by millions of investors, but these investors have no more to say about management than has the

(Concluded on page 8, column 3)



LORENZO THE MAGNIFICENT

© Ewing Galloway

Famous renaissance character, member of the renowned Medici family, which fostered and promoted the rebirth of art and learning. (An illustration from "Lorenzo the Magnificent" by David Loth. New York: Brentanos).



SERVICE

—Brown in N. Y. HERALD-TRIBUNE

LEADERS MAP COURSE FOR BUSINESS UPTURN

(Concluded from page 1, column 1)

ize themselves in each of the twelve Federal Reserve districts. So committees, similar to the Young group, were set up in Boston, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco, covering every section of the country. Once these groups had become fully organized and had canvassed the needs in their various regions, President Hoover called the members to Washington in order to work out a program of unity upon national lines.

The further advantage of bringing the committees together was to devise a scheme whereby the business leaders could cooperate with the various government agencies which have been set up to cope with the depression, such as the Reconstruction Finance Corporation, the Home Loan Discount bank system, as well as the Departments of Commerce and Treasury. The heads of these agencies figured prominently in the president's conference. Secretaries Mills and Chapin, heads of the Treasury and Commerce Departments, Atlee Pomerene and C. A. Miller, chairman and president of the Reconstruction Corporation, and Franklin W. Fort, chairman of the Home Loan Bank Board, were among the outstanding governmental representatives.

The two major accomplishments of the business conference were the adoption of a six-point program of recovery and the setting up of a national organization to carry out each aspect of the plan. Thus, six special groups, or subcommittees, were organized to carry the plan of action into every town and city of the nation. An experienced and prominently known leader was placed in charge of each group, with the responsibility of calling future meetings and directing the campaign.

One committee has been assigned the exclusive task of dealing with unemployment, possibly the most urgent problem confronting the American people at the present time and certainly one of the most serious to be dealt with during the coming winter months. This group, which is under the chairmanship of Walter C. Teagle, president of the Standard Oil Company of New Jersey, will have the task of devising means of absorbing a part of the ten million unemployed into the industrial framework of the country. It is expected that its general line of attack will be directed along the lines of the share-work movement which has already gained somewhat during recent months. It will not recommend the adoption of the six-hour day or the five-day week in general, but will strive to have

each industry spread all available work 'to as many workers as possible. When this can best be done by means of the shorter workday and workweek, such a course will be suggested. But when other plans, such as the permitting of an employee to work three weeks out of every four, are found more suited to the particular needs of an industry, that procedure will be recommended.

In other words, the Unemployment Committee will work on the theory that it is better to have more people at work, even at reduced wages, so that none will suffer from a lack of the necessities of life. It has adopted as its slogan, "Job security by job spreading." It will follow closely a plan of spreading employment adopted in California some time ago. According to this plan, members of the committee—men actively engaged in business—will call upon other employers and urge them to distribute their jobs to more men and women. Even those who employ as few

as twenty workers will be asked to cooperate by doing away with full-time jobs for anyone.

This plan has been hailed by the American Federation of Labor as the greatest step yet undertaken effectively to deal with the problem of unemployment. Its president, William Green, has been urging the spreading of available work for many months. Other labor leaders have sensed the urgent need for readjustment in the length of work periods to offer a permanent solution of the problem, for they realize that even in "prosperous" times the unemployed have been numbered in the millions.

While this is the only group to deal directly with the problem of increasing jobs, the other five committees will strive indirectly to relieve present conditions. One of these will deal with the railroad problem and is made up of two members, Daniel Willard, president of the Baltimore and Ohio Railroad, and George H. Houston, president of the Baldwin Locomotive Works. It will seek to have the railroads replace worn-out or obsolete material by new equipment. New engines, needed repairs on locomotives, additional tracks or repairs will be urged upon all the railroads at this time as a means of giving employment, increasing orders for steel and generally increasing activity in those industries which depend largely upon the railroads. This committee is expected to work closely with officials of the Reconstruction Finance Corporation in making this expansion possible, for without loans it is admitted that a program of this nature will be impossible of accomplishment.

A third committee, headed by A. W. Robertson, chairman of the board of the Westinghouse Electric and Manufacturing Company, will have a task similar to that of the Willard Committee. It will endeavor to have all other industries follow a course similar to that envisaged for the railroads, namely, the replacement of worn-out and useless machinery. Many concerns, it is felt, are badly in need of such new equipment, but have been awaiting the return of better times to place their orders. The mere replacement now would greatly assist in restoring good times, if executed on a large scale, because it would increase employment and make possible a greater volume of sales.

The movement of stimulating business by means of repairs and improvements has not, however, been confined to railroads and industrial concerns. A fourth committee, consisting of Sewell L. Avery, president of Montgomery, Ward and Company, and C. M. Woolley, chairman of the American Radiator Company, has as its principal objective the encouragement of repairs in homes. Home-owners will be urged to make work available by means of improving their residences.

Relief to those home-owners who have mortgages falling due but insufficient funds to make payment will be sought by another committee, headed by C. A. Miller, president of the Reconstruction Finance Corporation. Already definite action has been taken in this direction. The receivers of national banks which have closed their doors have been requested to call a sixty-day moratorium on home mortgages. Thus, they will not be able to foreclose, or take over the property, of those individuals who have mortgaged their homes, until the expiration of the moratorium. Many closed banks have insisted upon foreclosing because of their desire to convert all their assets into ready cash and pay off their depositors with the proceeds. In this way, numerous home-owners have lost their homes and have been placed in dire circumstances which might have been avoided if more time had been allowed them for the payment of their mortgages. Banks which have not closed—both state and national banks—have been urged to declare a similar moratorium on mortgage foreclosures. The reason for the sixty-day period is that the Home Loan Discount Banks, designed specifically to relieve the home-owner and home-builder, will be in operation by October 15 and will be in a position to ease the situation.

The work of the sixth subcommittee is closely tied to that of most of the others. It is under the chairmanship of Owen D. Young, and its functions will be largely the same as those of the original New York group of which Mr. Young was the head. It will act as an intermediary between those organizations in need of credit facilities to increase their business and the commercial banks. The success of most of the other subcommittees will depend upon the extent to which they are able to obtain credit. New machinery and industrial equipment cannot, in most instances, be purchased with funds now available. Most industrial concerns will require loans from banks in order to carry out this program.

So, in many respects, the success of the entire reconstruction plan is dependent upon the work of Mr. Young's committee. It is hard to determine just how great is the demand for credit, how many of the needs are now being taken care of by banks, and the extent to which banks will be ready to lend their funds in such enter-

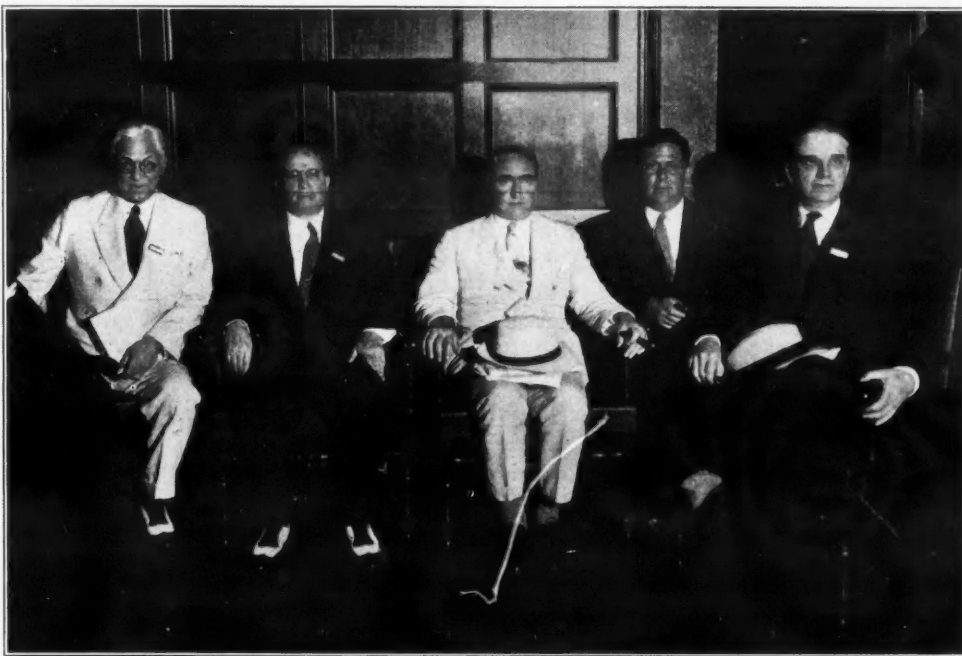
prises. The belief of many leaders, however, is that there is now a wide gap between the users of credit and the lenders, that many concerns could increase their activities if loans were forthcoming, but that the banks have been hesitant in advancing the funds. Mr. Young's committee will seek to bridge this chasm and direct loanable funds of the banks into the channels which will provide employment and stimulate business. Such action would prove beneficial not only to the borrowers but also to the banks which now have large sums of money not in use.

During coming weeks, these six subcommittees are expected to confer on the progress of their campaign against the depression. They do not have any central headquarters, but will direct their activities from different sections of the country. A central committee, however, has been formed to direct the entire battle and to act as a clearing house for the six subcommittees. Heads of the government agencies, chairmen of the twelve Federal Reserve committees and a limited number of business leaders make up the membership of the central coordinating group. It has permanent headquarters in the Treasury Building in Washington and is under the direction of Henry M. Robinson of California.

Mr. Robinson has been directly connected with the organization of business leaders on a national scale. He is a personal friend of President Hoover and spent several weeks in Washington before the conference, making general preparations. He presided over the meeting on August 26. His entire attention during the next few months will be directed toward the successful carrying out of the six-point revival program.

Although Mr. Robinson's career has been filled with activities of a public nature, he was little known to the nation at large until the recent conference. Aside from his experience as a private banker, business man and lawyer in Los Angeles, he has figured in various national and international events. First as a member of the Council of National Defense during the war, then as a member of the committee which formulated the Dawes Plan of German reparations payments in 1924, later as chairman of the American delegation to the World Economic Conference in 1927 and finally as head of the central business committee, Mr. Robinson has come into close contact with many of the major economic problems of recent years.

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GROUP OF LEADERS AT THE ECONOMIC CONFERENCE

Left to Right: Henry M. Robinson, Los Angeles banker; Eugene Meyer, governor Federal Reserve Board; Ogden L. Mills; George L. Harrison, governor N. Y. Federal Reserve Bank; Owen D. Young.

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Government Economy Threatens to Curtail Work of Children's Bureau

During the past year, a great outcry has been raised for governmental economy. The rapid increase in the cost of supporting our government—federal, state and local—is proving too heavy a burden for many taxpayers to bear. Several national organizations have been formed for the sole purpose of working toward the reduction of governmental expenses.

Few people deny the need for such a campaign. There are many, however, who feel that much care must be used in selecting the branches of government in which economies can be made without hampering social activities, which are beneficial to the country at large. These persons are wholeheartedly behind any movement to wipe out waste and extravagance in governmental functions, but they insist that certain bureaus should be maintained intact.

The Children's Bureau, of the United States Department of Labor, is included in this category. At the last session of Congress, the Senate Appropriations Committee debated as to whether or not there should be a cut in the budget of this bureau. The committee first recommended a reduction of \$100,000, more than 25 per cent of the Bureau's entire budget for the present fiscal year. If this recommendation had been approved by Congress and the president, it would have necessitated a reduction by one-third, of the permanent staff of the Bureau. However, the bill failed even to receive the sanction of the Senate. In the end, the Bureau's appropriation was reduced approximately \$50,000.

TWENTIETH YEAR

This year marks the twentieth anniversary of the creation of the Children's Bureau by Congress. The bill was signed by President William Howard Taft, April 9, 1912, and the first appropriation became available August 23, of the same year. By this act, Congress enabled the United States to lead the nations of the world in establishing a federal agency for the purpose of promoting the welfare of children, and to consider as a whole the problems affecting them. Since 1921 children's bureaus have been established in twenty-eight countries, eight nations having organizations similar to that of the United States.

The basic function of the Children's Bureau is that of a "fact-finding" agency. For instance, the Bureau first pointed out—and proved by a study of 23,000 babies born in eight American cities—that poverty can actually kill babies. In Balti-

more, it was found that in well-to-do homes only one out of every twenty-seven babies died during the first year of its life, while in poor homes one out of every seven failed to survive. This startling bit of information was disseminated throughout the country by the publicity department of the Bureau. Finally, public opinion became so aroused that Congress passed, in 1921, the Federal Maternity and Infancy Act. This act created a fund to be used in promoting the welfare of mothers and babies. The work has to be carried on through the offices of the Children's Bureau.

For a period of seven years an excellent piece of work was accomplished. One hundred and twenty-four thousand child health conferences were held; hundreds of thousands of mothers were reached through classes and literature, and three million home-visits were made by nurses. Poor families in all sections of the country were rendered valuable services by the creation of the Federal Maternity and Infancy Act—services which could not have been rendered without Federal aid. These figures show the importance of the Bureau's work along this line: In 1912, it is estimated that 300,000 babies in the United States died during their first year. In 1930 this number had decreased to slightly more than 150,000. With the Maternity and Infancy Act in effect, the rate of infant mortality was rapidly declining.

This act lapsed in 1929 and has not yet been revived. Considering the extremely vital work which it performed, many believe that a serious mistake was made by Congress in not renewing the act. By not doing so, the work of the Children's Bureau has been greatly crippled.

OTHER SERVICES

Infant mortality, however, has not been the only problem to receive the Bureau's attention. The betterment of conditions for boys and girls, who because of poverty in their homes, are forced to work for their livelihood; is a matter of great concern to the Children's Bureau. It has made numerous investigations of child labor, and frequently has brought this problem before the nation. Thousands of pitiful cases have been cited as illustrations of the hardships endured by many boys and girls who are driven into industry at early ages. They are forced to go through life with hardly the bare rudiments of an education. After a strenuous struggle by Grace Abbott, the chief of

the Bureau, and her colleagues, a child labor amendment to the Constitution was finally passed by Congress during Coolidge's administration. This amendment would greatly protect and improve the lot of child laborers. However, a sufficient number of states have, as yet, failed to ratify the amendment. As there is no time limit in which the amendment must be ratified by the various states, the Children's Bureau is still waging a campaign in an effort to make the amendment a law of the land.

NEW TASKS

At the present time, the Bureau is perhaps confronted with the most difficult task it has ever faced. The three-year depression which, even yet, does not show any definite signs of lifting, has brought forth many new problems of a serious nature, relating to the youth of the country. Thousands of boys are unable to finish high school because of depleted family incomes. The Bureau recently published a report, which states that approximately 200,000 boys under eighteen years of age, are roving the country as a result of nothing for them to do at home. These boys are exposed to rain, hunger, cold, disease, and the danger of death or serious injury by falling off of freight cars—which is their chief means of transportation. The Children's Bureau is carrying on a publicity campaign to warn boys of the hardships which they will encounter by "taking to the road."

SOCIAL SCIENCE BACK- GROUND

(Concluded from page 6)

urchin on the street. Ownership and management have been divorced. Does this pave the way for a change in our capitalistic organization of society, comparable to the changes from the feudal society of the Middle Ages? Perhaps so—perhaps not. We cannot tell. It is likely that we will not know for decades, but it seems reasonable to assume that there will be institutional changes of some sort as the counterpart to the tremendous development of mechanical and business techniques which have come during the last few generations.

The Republican and Democratic national organizations are feeling the pinch of hard times this year. The collection of money for campaign expenses is a much harder task than it has been in the past. One result will be a less frequent resort to the radio. An hour on the national network costs \$35,000 which is about twice the cost in 1928. Broadcasting expenses have thus risen at the same time that funds have shriveled. In 1928 the two parties spent a million dollars broadcasting campaign speeches. This year they will spend about half that sum. It has been reported that the Democratic party was unable to broadcast Governor Roosevelt's Seagirt, New Jersey, address on prohibition over a nation-wide hook-up because of lack of funds. The Republicans have done better with collections the last few days.



GRACE ABBOTT
Director of the Children's Bureau

POLITICAL ISSUES

II

THE TARIFF

The Republican position on the tariff is clear and definite. The party stands for a high protective tariff. It approves the Hawley-Smoot tariff law, which is the highest ever to have been adopted in American history. The platform endorses the provision in the present law which gives the president the power to raise or lower rates of specific articles upon the advice of the Tariff Commission. There is an intimation in the platform that this device may be used to raise rather than lower tariffs. Reference is made to abnormal conditions in international trade and the possibility is suggested that further tariff protection may be needed by American industry.

The Democrats have abandoned their traditional militant opposition to a high tariff. They declare for tariff rates which will humanize the cost of production at home and abroad. For example, if a product can be made in this country for \$100, and somewhere else in the world for \$60, the Democrats would impose a tariff of \$40 on the article. If strictly applied, this would be an absolutely prohibitive tariff. If the Democrats believe in this kind of a tariff, their only objection to the Republican tariff is not that it is a prohibitive protective tariff, but that in some cases it is higher than the protection of American industry requires.

The Democrats do make this charge but they do not promise the immediate downward revision of tariff rates in general. They advocate a change in the present law relating to the Tariff Commission. They would have the commission make recommendations for raising or lowering rates, but they would leave final action to Congress, rather than the president. Interpretations by Mr. Roosevelt, the Democratic candidate, indicate that he does not endorse the principle of a competitive tariff wholly, but that he would lower rates so as to permit European nations to trade more freely with this country than they can do under the present law. The Democrats also call for an international conference to discuss the restoration of international trade.

It is probable that the intentions of the parties respecting the tariff may become more definite as the campaign progresses. The low tariff wing of the Democratic party is trying to induce Governor Roosevelt to promise a downward revision.



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TEACHING GIRLS TO SEW IN NEW YORK

The Children's Bureau works in cooperation with other welfare agencies.